

Frequently Asked Questions (FAQs)
PIH Notice 2015-03
Section 6: Tenant Protection Vouchers (TPVs)
(Last Updated 3-9-15)

(1) Question: The Notice provides that HUD will identify whether the TPVs are “replacement or relocation TPVs” in the funding allocation letter. What will HUD base this one?

Answer: As part of its review of a PHA’s inventory removal application (e.g. demolition, disposition, conversion, homeownership), HUD’s Special Applications Center (SAC) staff will work with the PHA and the PHA’s local PIH Field Office to determine the PHA’s “maximum” eligibility number for replacement and relocation TPVs (SAC staff won’t be able to determine actual eligibility numbers since it’s based on unit occupancy at the time of the TPV application to HUD). As part of its initial determination, SAC staff will review the following: (i) the approval “chart” in the draft disposition approval documents to see if any public housing units are proposed to be developed on-site; (ii) other parts of the removal application to determine if the disposition will allow for the development of any off-site public housing units; and (iii) the PHA’s recent PHA plans and significant PHA Plan amendments—to determine if the PHA is proposing any new public housing development. During the application review process, SAC staff will work with and seek concurrence from the PHA in determining the PHA’s maximum eligibility numbers for replacement and relocation TPVs. These maximum eligibility numbers will be included in the final removal approval documents for implementation by HUD’s Voucher Office.

(2) Question: Will HUD’s distinction between “replacement” and “relocation” TPVs make any difference to the family who is being issued the TPV?

Answer: No. The family being issued the TPV will receive all normal rights associated with any Section 8 Housing Choice Voucher (HCV). The family can continue to receive assistance under the HCV program for the indefinite future, provided it remains income eligible and in compliance with all applicable program rules.

(3) Question: Does the PHA’s receipt to “relocation” vs. “replacement” TPVs have any impact on a PHA’s ability to develop new Section 9 Public Housing Units?

Answer: No. The PHA’s ability to develop new public housing units continue to be governed by its “Faircloth limits” in accordance with Section 9(g)(3)(A) of the United States Housing Act of 1937 (Housing Act) and PIH Notice 2011-69.

(4) Question: The Notice provides that the provisions that apply to relocation TPVs only apply to TPVs that are originally allocated from the FY 2015 Appropriations. What if I already received an allocation of TPVs from the FY 2015 Appropriations but it did not distinguish between replacement and relocation TPVs?

Answer: HUD will be funding TPVs in accordance with the guidance of Section 6 of PIH Notice 2015-03 as of the date this Notice was published (February 27, 2015). For PHAs that received a

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TPV allocation on or after February 27, 2015, HUD will be reaching out to them to clarify if the TPVs they received were relocation or replacement TPVs. For all TPV allocations received between January 1, 2015 and February 27, 2015, the previous TPV rules apply.

(5) Question: Can you walk through a few scenarios so I can better understand how HUD's allocation of "relocation" and "replacement" TPVs will work?

Answer: Sure. See below.

Scenario A.

A PHA has 100 public housing units proposed for disposition. The reason for disposition is that all units meet the obsolescence standard of 24 CFR § 970.15. After disposition, the PHA is proposing to sell the site to a single-asset limited partnership so the existing units can be demolished with LIHTC equity and the land developed as a 150-unit LIHTC project that includes 50 Public Housing ACC units (developed through mixed-finance), 50 project-based voucher Section 8 units, and 50 unassisted units.

The PHA is eligible for a maximum of 50 replacement TPVs and 50 relocation TPVs (based on actual occupancy at the time of the TPV Funding Allocation application to HUD). This will be indicated in the SAC's disposition approval documents. If all 100 units are occupied at the time the PHA submits its TPV Funding Allocation application to HUD, HUD will award the PHA 50 replacement TPVs and 50 relocation TPVs. The PHA must offer all 100 families the TPV in the form of tenant-based assistance. The PHA cannot assume that the replacement TPVs it receives can be project-based.

Scenario B.

A PHA has 100 public housing units proposed for disposition. The reason for disposition is that all units meet the obsolescence standard of 24 CFR § 970.15. After disposition, the PHA is proposing to sell the site to a single-asset limited partnership so the existing units can be demolished with LIHTC equity and the land developed as a 150-unit LIHTC project that includes 50 Public Housing ACC units (developed through mixed-finance), 50 project-based voucher Section 8 units, and 50 unassisted units.

The PHA is eligible for a maximum of 50 replacement TPVs and 50 relocation TPVs (based on actual occupancy at the time of the TPV Funding Allocation application to HUD). This will be indicated in the SAC's disposition approval documents. If all 80 units are occupied at the time the PHA submits its TPV Funding Allocation application to HUD, HUD will award the PHA 30 replacement TPVs and 50 relocation TPVs. The PHA must offer all 80 families the TPV in the form of tenant-based assistance. The PHA cannot assume that the replacement TPVs it receives can be project-based.

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Scenario C.

A PHA has 100 public housing units proposed for disposition. The reason for disposition is that all units meet the obsolescence standard of 24 CFR § 970.15. After disposition, the PHA is proposing to sell the site to a single-asset limited partnership so the existing units can be demolished with LIHTC equity and the land developed as a 150-unit LIHTC project that includes 100 project-based voucher Section 8 units.

The PHA is eligible for a maximum of 100 replacement TPVs and 0 relocation TPVs (based on actual occupancy at the time of the TPV Funding Allocation application to HUD). This will be indicated in the SAC's disposition approval documents. If all 92 units are occupied at the time the PHA submits its TPV Funding Allocation application to HUD, HUD will award the PHA 92 replacement TPVs and 0 relocation TPVs. The PHA must offer all 92 families the TPV in the form of tenant-based assistance. The PHA cannot assume that the replacement TPVs it receives can be project-based.

Scenario D.

A PHA has 100 public housing units proposed for demolition only. The reason for demolition is that all units meet the obsolescence standard of 24 CFR § 970.15. After demolition, the PHA is proposing to build back three phases of public housing units on the site under conventional public housing development rules of 24 CFR part 905 with 15 public housing units in each phase.

The PHA is eligible for a maximum of 45 relocation TPVs and 55 replacement TPVs (based on actual occupancy at the time of the TPV Funding Allocation application to HUD). This will be indicated in the SAC's disposition approval documents. The PHA must offer all 92 families the TPV in the form of tenant-based assistance. The PHA cannot assume that the replacement TPVs it receives can be project-based.

Scenario E.

A PHA has 100 public housing units proposed for disposition only. The reason for disposition is that all units meet the obsolescence standard of 24 CFR § 970.15. After disposition, the PHA is proposing to substantially rehabilitate all 100 units and reconfigure them (all small efficiency units) into 50 larger 1-bedroom public housing units.

The PHA is eligible for a maximum of 50 relocation TPVs and 50 replacement TPVs (based on actual occupancy at the time of the TPV Funding Allocation application to HUD). This will be indicated in the SAC's disposition approval documents. The PHA must offer all families the TPV in the form of tenant-based assistance.

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Scenario F.

A PHA has 100 public housing units proposed for disposition only. The units do NOT meet the obsolescence standard of 24 CFR § 970.15. The reason for disposition is that the PHA plans to substantially rehab and/or demolish and build new public housing units under the mixed-finance method (so it can leverage LIHTC and other financing). After disposition, the PHA is proposing to continue to operate 100 public housing units on the site.

The PHA is not eligible for any TPVs. This will be indicated in the SAC's disposition approval documents. If relocation is required, the PHA will need to handle it using its own resources (e.g. existing vouchers, vacant public housing units, public housing or development funding to accommodate temporary relocation needs).